

THE WHITE HOUSE
WASHINGTON

CABINET MEETING AGENDA

April 29, 1982 at 10:00 a.m.

1. Update on Budget Discussions

Ed Meese
Jim Baker
Donald Regan
Dave Stockman

NSC Review Completed as Redacted.

TALKING POINTS ON THE BUDGET

APRIL 28, 1982

- In tonight's speech the President will:
 - o call for the support of the American people in an effort to work with the Senate and responsible members of the House to develop a Budget Resolution;
 - o call for the support of the Balanced Budget Constitutional Amendment;
- The Administration will not send up a new budget. The budget developed by the Administration will serve as the basis for working with Senate and responsible House members to develop a Budget Resolution.
- The burden is on the House Democratic leadership. The President has gone the extra mile. They've offered nothing yet and should come up with something.
- President Reagan went more than half way in his three hour meeting with Speaker O'Neill. On every major issue still in contention, the President offered to split the differences -- to no avail.
- As White House Chief-of-Staff Jim Baker said, the President expected give and take from the Democrats; there was almost all take and no give.
- The month long negotiations to find a compromise were initiated by the White House in an unprecedented effort to work out a bipartisan compromise before taking the budget to the floor.



- In his talk with the Speaker, the President indicated a willingness to accept:
 - \$122 billion in revenue increases in the three fiscal years 1983-85 -- two and a half times his original February proposal; (The President continued to insist that the third year of tax cuts be protected.)
 - \$28 billion in cuts in his defense budget proposals over the same three year period;
 - splitting the difference on other domestic programs; adding more in some cases and cutting more in others than his February budget called for.

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